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DEPARTMENT OF MINES AND GEOLOGY

Notification

THE JHARKHAND MINERAL BEARING LAND CESS RULES, 2024

15th October, 2024

No.Kha.Ni.(Niti)-04/2024-**1964**/M., Ranchi, Dated:-**15.10.2024**, In exercise of the powers conferred by Section-11 of the Jharkhand Mineral Bearing Land Cess Act, 2024, the Government of Jharkhand hereby makes the following rules:-

1. SHORT TITLE, EXTENT AND COMMENCEMENT

- (i) These rules may be called "The Jharkhand Mineral Bearing Land Cess Rules, 2024".
- (ii) It extends to the entire State of Jharkhand.
- (iii) It shall come into force on the date of notification.

2. DEFINITIONS

In this Rules, unless the context otherwise requires:-

- (a) "**Act**" means The Jharkhand Mineral Bearing Land Cess Act 2024;
- (b) "**Cess**" means the cess levied under Section 3 of the Act;
- (c) "**Annual value of mineral bearing land (including coal bearing land)**" means value of mineral (including coal) dispatched as specified in the schedule of the Act;

- (d) **"Dispatch"** means dispatch of such Run-of-mine/minerals as specified in the Schedule appended to the Act, by the holder to any place outside the mineral bearing land;
- (e) **"Department"** means the Department of Mines & Geology of the State;
- (f) **"Deputy Commissioner"** means the deputy commissioner of the District;
- (g) **"Director Mines"** means Director of Mines Directorate of Department.
- (h) **"Documents"** means and includes written or printed records of any sort, title deeds and data stored by way of electronic record(s) in whatsoever forms or any other records or form as defined in the Information Technology Act, 2000;
- (i) **"Electronic record"** means a data, record or data generated, image or sound stored, received or sent in an electronic form, or microfilm or computer generated micro fiche or in a computer disk or in a computer floppy or computer software/ media;
- (j) **"Fund"** means a fund created for the purposes of depositing the proceeds of cess as to carry out the purposes as specified in Section 4 of the Act; and shall be utilized in the manner as prescribed;
- (k) **"Governing Body"** means a body of such authorities, as constituted under section 11 to carry out the purposes of the Act, as prescribed;
- (l) **"Government"** means the State Government of Jharkhand;
- (m) **"Holder"** means the holder of the mining or quarry lease or prospecting-cum- composite license of the mineral bearing land(s);
- (n) **"Mineral Bearing Land (Including Coal Bearing Land)"** means holding or holdings of land comprising the area of a land either allocated or granted or deemed to be granted for mineral right i.e. mining or quarry lease or exploring license or prospecting license or petroleum mining lease under the Mines and Minerals (Regulation and Development) Act, 1957, the Coal India Validation Act, 2000, the Coal Bearing Areas (Acquisition and Development) Act, 1957, the Coal Mines (Special Provisions) Act, 2015, Petroleum & Natural Gas Rules, 1959;
- (o) **"Mineral Produce"** means a produce of mineral specified in the Schedule appended to the Act;
- (p) **"Mineral Right"** means rights conferred on a lessee/deemed lessee under a mining lease or quarry lease or exploring license or prospecting license or petroleum mining lease granted or renewed under the Mines and Minerals (Regulation and Development) Act, 1957, the Coal India Validation Act, 2000, the Coal Mines (Special Provisions) Act, 2015, Petroleum & Natural Gas Rules, 1959;
- (q) **"Year"** means a Financial Year beginning of 1st April and ending on 31st March of the subsequent year;
- (r) **"Month"** means a calendar month or part thereof;
- (s) **"Notification"** means a notification as published in the Official Gazette of the State;
- (t) **"Schedule"** means the Schedule appended to the Act;
- (u) **"Sections"** means, sections of the Act;
- (v) **"State"** means the State of Jharkhand; and

Words and expressions used but not defined in these Rules shall have the same meaning as defined in the Act and all the respective Mineral Act(s) and all the respective Rules, as assigned to them under all those such Acts; Rules; Notifications or Regulations made or issued thereunder.

3. APPLICABILITY

These rules shall apply to all mineral bearing lands as defined in the Jharkhand Mineral Bearing Land Cess Act 2024.

4. APPLICATION OF THE FUND

(1) As defined in Section 4 of the Act notified vide gazette notification dated **07.10.2024**.

5. REGISTRATION

The holders shall be deemed to be registered under the Act where they have been already granted mineral rights over mineral bearing land.

6. PRESCRIBED OFFICER

The Deputy Commissioner of the respective districts, Additional Director (Mines), Concerned Deputy Director (Mines)/ District Mining Officer shall be the prescribed officers as well as the competent authorities, to carry out the functions under the Act and to collect the Cess in a manner as prescribed.

7. GOVERNING BODY

(i) The State Government shall constitute a Governing Body under Section 11 of the Act to carry out the purposes as specified in Section 4 of the Act.

(ii) The Governing Body shall constitute of the following, as under –

(a)	Chief Secretary	:	ex officio Chairman
(b)	Secretary, Department of Finance, Jharkhand	:	ex officio Member
(c)	Secretary, Department of Planning, Jharkhand	:	ex officio Member
(d)	Secretary, Department of Mines and Geology, Jharkhand	:	ex officio Member
(e)	Secretary, Health, Medical Education & Family Welfare Department	:	ex officio Member
(f)	Secretary, Rural Development Department	:	ex officio Member
(g)	Secretary, Agriculture, Animal Husbandry & Co-operatives	:	ex officio Member
(h)	Secretary, Department of Higher Education	:	ex officio Member
(i)	Secretary, Department of School Education and Literacy	:	ex officio Member
(j)	Secretary, Department of Woman, Child Development & Social Welfare	:	ex officio Member
(k)	Any other member or members may be invited/co-opted as deemed necessary by governing body.		

(iii) The Secretary, Department of Mines & Geology, Jharkhand shall be the ex officio Member Secretary -cum- Coordinator of the Governing Body.

(iv) The Member Secretary of the Governing Body shall convene the meeting at least once in Six months.

(v) The Governing body shall allocate the proceeds or part thereof of fund, for execution/

implementation of such programs/ projects as specified under Section 4 of the Act in a manner /proportions as decided by Governing Body and issue such directions as it may deem fit and necessary to such authorities carrying out the projects.

- (vi) Also the fund shall be allocated to the department for the following purposes: -modernization and improvement of the infrastructure of the departmental machinery for computerization, training and competence building, increased mobility, better communication, monitoring and supervision, provision of better public services, plugging of leakage of revenue and checking of theft, smuggling and other unlawful activities or any other purpose.
- (vii) The Governing Body shall evaluate the progress of the programmes and the projects for which the funds have been provided.
- (viii) The Governing Body shall amend the Schedule including adding, deleting, or altering items or rates as deemed necessary from time to time.

8. PAYMENT OF CESS

- (i) The holder shall pay the Cess on the mineral bearing land at such rates as prescribed in the Schedule appended to the Act.
- (ii) The amount of Cess shall become payable and be paid on the same day on which such royalty was payable to the Government.
- (iii) The Cess shall be paid electronically through Jharkhand Integrated Mines and Management System or as prescribed by the department.

9. COLLECTION OF THE FUND

- (i) The proceeds thus received as per Schedule appended to the Act shall be credited to the consolidated fund of state.
- (ii) The collection shall be first credited to the Consolidated Fund of the State under a specified receipt head and shall thereafter be transferred to the fund during the months of April to March every year.

10. ADMINISTRATION OF THE FUND

- (i) The fund shall become vested in the Department as par Rule 12 and shall be under its control and shall be held in trust for the purpose of the Act.
- (ii) The fund shall be administered by the Department.

11. MONITORING OF THE AMOUNT PAYABLE TO THE FUND

Prescribed Officer as defined in Rule 6 shall maintain an electronic register of the amount payable and paid by each holder and furnish the monthly consolidated statement thereof to the Member Secretary-cum- Coordinator of the Governing Body as constituted in Rule 7 at the end of every month.

12. BUDGET OF FUND

- (i) The Department shall cause the Budget Estimate of the fund for every financial year to be prepared on or before the first day of January of the financial year next preceding, and thereafter, the Budget estimate shall be forwarded to the Finance Department on or before first day of February of the year for approval.
- (ii) Budget Estimate approved by the Finance Department shall constitute the Budget of the fund for the year.
- (iii) If during the course of the financial year, it becomes necessary to incur expenditure over and above the provisions made in the budget, the Department shall immediately submit to the Finance Department a statement giving details of the proposed expenditure.
- (iv) The Department shall maintain a complete and accurate account and the procedure in this regard shall be such as may be decided by the Department with the concurrence of the Finance Department. The accounts of the fund shall be balanced on the 31st March each year.

13. FORMULATION OF PROJECTS

The projects under the Infrastructure and socio-economic development programmes shall be formulated by the concerned departments with due regard being had to the scale and standard in respect of

specifications and other details as has been laid down for similar work. Each project shall be got technically vetted by the appropriate technical officer and shall stipulate the arrangement for maintenance of assets to be created. The projects formulated at the concerned department level only shall be furnished to the Governing Body for the purpose for approval.

14. EXECUTION OF PROJECTS

The projects that are approved by the Governing Body may be executed by the concerned departments or such other agencies as the Governing Body may decide. After completion of projects the concerned departments have to submit utilization certificate to the Department of Mines and Geology.

15. MAINTENANCE OF ACCOUNTS

The Department of Mines & Geology, Government of Jharkhand shall maintain true and correct accounts of the fund in accordance with the provisions of The Jharkhand Financial Rule, The Jharkhand Treasury Code and the subsidiary rule made there under.

16. APPLICATION OF ALL OTHER MINERAL STATUTES APPLICABLE IN JHARKHAND

For all or any such provisions or rules not prescribed in these Rules; the prescribed Rules under such other Mineral Rules applicable in the State of Jharkhand; shall be applicable in these Rules also.

17. PENALTY AND RECOVERY OF CONTRIBUTION TO FUND

- (i) The holder shall make the required payment towards Cess in the same frequency as the holder is required to pay royalty to the Government.
- (ii) If any holder fails to pay the Cess under this Rule by the due day, the holder shall be liable to pay interest @ 5% per month or part thereof.
- (iii) Any amount payable by a holder in pursuance of notice of demand under section 5 of the Act shall be paid by such holder or person within a period of three months from the date of service of such notice of demand failing which recovery proceedings shall be initiated. Provided that where the prescribed officer considers it expedient in the interest of revenue, he may, for reasons to be recorded in writing, require the said taxable person to make such payment within such period less than a period of three months as may be specified by him.
- (iv) Where any amount payable by a holder or person to the Government under any of the provisions of the Act or the rules made thereunder is not paid, the prescribed officer shall proceed to recover the amount by one or more of the following modes, namely: -
 - (a) the prescribed officer may, by a notice of demand in writing, require any other holder or person from whom money is due or may become due to such person or who holds or may subsequently hold money for or on account of such person, to pay to the Government either forthwith upon the money becoming due or being held, or within the time specified in the notice not being before the money becomes due or is held, so much of the money as is sufficient to pay the amount due from such person or the whole of the money when it is equal to or less than that amount;
 - (b) every person to whom the notice is issued under sub-clause (i) shall be bound to comply with such notice,
 - (c) in case the holder or person to whom a notice under sub-clause (i) has been issued, fails to make the payment in pursuance thereof to the Government, he shall be deemed to be a defaulter in respect of the amount specified in the notice and all the consequences of this Act or the rules made thereunder shall follow;
 - (d) the prescribed officer issuing a notice under sub-clause (i) may, at any time, amend or revoke such notice or extend the time for making any payment in pursuance of the notice;
 - (e) The prescribed officer may issue directions and take necessary actions as deemed appropriate to recover the payable cess on minerals from the area belonging to or under the control of the holder or person, until the amount payable is fully settled.

18. APPEAL

- (i) **Filing of Appeal:** Any person aggrieved by a notice of demand may file an appeal with the Director Mines, Government of Jharkhand within 60 days from the date of service of the notice.
- (ii) **Procedure:** The authority shall conduct hearings and pass orders on the appeal, adhering to the principles of natural justice, as well as prevailing rule, regulations and directions from government issued from time to time.

19. REVISION

Revision Petition: The Government may, on petition, revise any order or proceedings under the Act within 90 days of the order under section 6 of the Act. The designated revision authority is Secretary, Department of Mines & Geology of state. The revision authority shall examine records and provide an opportunity for representation before making any revision.

20. PENALTIES

- (i) **Penalty for Evasion:** In cases of evasion or avoidance of cess, the penalty shall be double the amount of cess evaded or avoided.
- (ii) **Enforcement:** Penalties shall be enforced as per the procedures specified by the department.

21. POWER TO MAKE FURTHER RULES

Additional Rules: The Government may make additional rules to carry out the purposes of this Act, including matters not specifically covered in these rules at any time.

22. ACTION TAKEN IN GOOD FAITH

Protection of Authorities: No suit or proceeding shall lie against any authority or officer for actions taken in good faith under the provisions of the Act.

23. JURISDICTION OF COURT

All legal matters shall fall under the jurisdiction of the Jharkhand High Court and Supreme Court of India.

24. REMOVAL OF DIFFICULTIES

Order for Removal: The Government may issue orders to remove difficulties in implementing the Act, provided such orders are made within two years of the Act's commencement.

25. DOCUMENTATION AND RECORDS

- (i) **Records Maintenance:** Holders shall maintain accurate records of mineral dispatches, cess payments, and other relevant documents.
- (ii) **Inspection:** The records shall be open for inspection by the prescribed officers at any time.

26. IMPLEMENTATION

Issuance of Guidelines: The Government may issue suitable guidelines for the effective implementation of these rules at any point of time.

By the order of the Governor of Jharkhand,

(Jitendra Kumar Singh)
Secretary to the Government
